

RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION

MEETING OF DIRECTORS

PUBLIC SESSION

MAY 23, 2005

The Board of Directors of the Rhode Island Economic Development Corporation (the "Corporation") met on Monday, May 23, 2005, in Public Session, at 4:00 p.m., at the offices of the Rhode Island Economic Development Corporation located at One West Exchange Street, Providence, Rhode Island, pursuant to notice of the meeting to all Directors, and public notice of the meeting, a copy of which is attached hereto, as required by the By-Laws of the Corporation and applicable Rhode Island law.

The following Directors were present and participated throughout the meeting as indicated: Governor Donald L. Carcieri, Mr. Frank Montanaro, Mr. Keith Stokes, Mr. George Shuster, Mr. Joshua Miller and Ms. Barbara Jackson.

Directors absent: Ms. Alma Green.

Also present were: Executive Director Michael McMahon, members of the Corporation's staff and Attorney Robert I. Stolzman.

Governor Carcieri presided over the meeting and Attorney Robert I. Stolzman acted as Secretary.

1. CALL TO ORDER

Governor Carcieri called the meeting to order at 4:00 p.m., and asked for a vote to approve the minutes of the meeting held on April 25, 2005.

2. APPROVAL OF THE PUBLIC SESSION MINUTES OF THE MEETING HELD ON APRIL 25, 2005

Upon motion duly made by Mr. Stokes and seconded by Ms. Jackson, the following vote was adopted:

VOTED: To approve the public session minutes of the meeting held on April 25, 2005, as presented to the Board this date.

Voting in favor of the foregoing were: Mr. Montanaro, Mr. Stokes, Mr. Shuster, Mr. Miller and Ms. Jackson.

Voting against the foregoing were: None.

3. EXECUTIVE DIRECTOR'S REPORT

a. Update on Concordia Manufacturing: Director McMahon introduced Rich Horan, the Managing Director of the Slater Technology Fund. Mr. Horan delivered some background information to the Board regarding the Slater Technology Fund. He introduced Randy Spencer, the President and CEO of Concordia Manufacturing, one of Rhode Island's historic textile manufacturing companies (See **Exhibit A**). Concordia evolved from a standard natural cloth textile company into an artificial high tech fiber textile company (high-end biomedical products, sail cloth, etc.). Most recently, Concordia has repositioned itself entirely into a biomedical product line with a new product called BIOFELT™, which is a textile based biomedical product that is utilized for tissue enhancement. Biological cells are implanted in the cloth to create a tissue construct which is utilized in connection with creating artificial and supplemental tissue for things like arteries and other tissue construction.

Mr. Spencer indicated that while the Slater Technology Fund provided some working capital for Concordia, its most important contribution was the consulting of Rich Horan in the biomedical arena. Mr. Spencer emphasized that most of the Concordia employees are without a high school education, but are very smart. Upon inquiry from Director McMahon, Mr. Spencer indicated that Concordia currently has 70 employees and is looking to grow.

Concordia is working with other medical device and biomedical companies to develop BIOFELT™, as well as other medical device products.

b. Update on Solaris: Director McMahon introduced Ron Huntman, the Managing Director of the Slater Environmental, Marine and Bioscience sector. Mr. Huntman introduced Neil Lawandy, President, CEO and Chairman of Solaris (See **Exhibit B**). Dr. Lawandy summarized the Solaris technology by stating that it is in essence the utilization of "making antennas in beakers". They enhance the performance of molecular light absorption similar to photosynthesis. The prototype is a solar panel that utilizes a rechargeable liquid cell that is more efficient than silicone and has a longer life due to its rechargeability.

Governor Carcieri and Director McMahon complimented the companies. Various Board members commented on the quality of work the Slater Funds are doing. Director McMahon indicated that the Board would like to be kept up-to-date on other Rhode Island and Slater "success stories" in fields and areas not highly publicized.

4. APPROVAL OF AIRPORT CORPORATION BONDS – 2005 ISSUE. Governor Carcieri and Director McMahon indicated that the Airport Corporation Bonds – 2005 issue would be considered. Attorney Stolzman directed the Board members to the vote at Tab 2 of their binder and summarized the authorization set forth therein. He reminded the Board that it already had approved the inducement resolution for this bond issue. He reminded the Board further that they had inquired previously as to the use of funds and pricing mechanism used with respect to the bond issuance. Mr. Stolzman indicated that bond counsel, Ellen Corneau, was present, as was Mr. Reed, Deputy

Director of Administration for the RIEDC, both of whom were intimately involved with the proposed bond issue and were available to answer any questions Board members may have.

After a very brief discussion, upon motion made by Mr. Montanaro and seconded by Mr. Shuster, the following vote was adopted:

VOTED: See text of vote at **Exhibit C.**

Voting in favor of the foregoing were: Mr. Montanaro, Mr. Stokes, Mr. Shuster, Mr. Miller and Ms. Jackson.

Voting against the foregoing were: None.

5. VOTE TO MEET IN EXECUTIVE SESSION

By open call prior to adjournment to Executive Session, upon motion made by Mr. Shuster and seconded by Mr. Montanaro, the following vote was adopted:

VOTED: That the Board adjourn to Executive Session to consider and take appropriate action on such matters as permitted by subsection (5) (acquisition, disposition or lease of real property) and subsection (6) (location of prospective businesses) Rhode Island General Laws, Section 42-46-5(a), the Open Meetings Law.

Voting in favor of the foregoing were: Mr. Montanaro, Mr. Stokes, Mr. Shuster, Mr. Miller and Ms. Jackson.

Voting against the foregoing were: None.

6. RECONVENE OPEN SESSION

The public session was reconvened at 4:50 p.m. The Chairman reported that action was taken on the following items during the Executive Session:

1. Approval of the Hexagon Project.

There being no further business in Public Session the meeting was adjourned at 4:55 p.m., upon motion by Mr. Shuster and seconded by Mr. Montanaro.

Robert I. Stolzman, Secretary